

# EXHIBIT B

**SEARS RETIREE LIFE INSURANCE**

1840

PAUL J. DERR

[REDACTED]

Dear Paul J. Derr:

Our records indicate that you filed a claim in the Sears Retiree Life Insurance settlement. Under the terms of this settlement, Sears is permanently restoring one annual increment of your Sears-provided retiree life insurance. This means that the amount of coverage you have will not reduce in 2003. In other words, as a result of the settlement, the amount of life insurance you have each year going forward will be greater by one annual increment than originally scheduled. Attached is your revised personal phase down schedule, showing the effect on your life insurance in future years, including the amount in 2007 and subsequent years.

If you have any questions about your retiree life insurance, refer to the Summary Plan Description for the plan or call the Retiree Service Center at 1-800-762-7327, press 1 if you're calling from a touch tone phone and select the Life Insurance Inquiries prompt – option 2, Monday through Friday, between the hours of 7 a.m. and 4 p.m. Central Time.

Sincerely,

Sears Retiree Life Group  
P.O. Box 6160  
Utica, NY 13504

September 12, 2002

Name: [REDACTED]

Street: [REDACTED]

City/State/Zip: [REDACTED]

Date of Birth: [REDACTED]

**Your Annual Reduction Amount**

Your retiree life coverage ( before reduction )	\$50,000.00
Your coverage in 10 years, on January 1, 2007	\$9,500.00
Your total reduction over 10 years	\$40,500.00
Your annual incremental reduction amount	\$4,500.00

**Your Reduction Schedule**

Your age as of January 1	Sears provides coverage in this amount
1998 68	\$ 45,500.00
1999 69	\$ 41,000.00
2000 70	\$ 36,500.00
2001 71	\$ 32,000.00
2002 72	\$ 27,500.00
2003 73	\$ 27,500.00
2004 74	\$ 23,000.00
2005 75	\$ 18,500.00
2006 76	\$ 14,000.00
2007 77	\$ 9,500.00

This form is for Informational purposes only. For specific plan information, please refer to the Sears Retiree Group Life Insurance Summary Plan Description